GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:7475
ANSWERED ON:15.05.2000
CESS ON POWER GENERATION
RATILAL KALIDAS VARMA

Will the Minister of POWER be pleased to state:

(a) whether the Government propose to levy cess on power generation;

(b) if so, whether the Bill has been passed; and

(c) if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRIMATI JAYAWANTI MEHTA)

(a) to (c) : The Policy on Hydro Power Development announced bythe Government in August, 1998 provides for the establishment of National Power Development Fund through levy of cess at 10paise per Kwh of electricity consumed in the country. A proposal to levy cess at 5 paise per Kwh of electricity generated was subsequently put up for consideration of the Government but was deferred.